



General Assembly

January Session, 2013

Raised Bill No. 6658

LCO No. 4718



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

AN ACT CONCERNING EMPLOYER USE OF NONCOMPETE AGREEMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2013*) (a) As used in this
2 section:

3 (1) "Employee" means any person engaged in service to an employer
4 in the business of the employer; and

5 (2) "Employer" means a person engaged in business who has
6 employees, including the state and any political subdivision thereof.

7 (b) Except as provided in section 31-50a or 31-50b of the general
8 statutes, an employer may obtain from an employee an agreement or
9 covenant which protects an employer's reasonable competitive
10 business interests and expressly prohibits an employee from engaging
11 in employment or a line of business after termination of employment if
12 (1) the agreement or covenant is reasonable as to its duration,
13 geographical area, and the type of employment or line of business, and

14 (2) prior to entering into the agreement or covenant, the employer
15 provides the employee a reasonable period of time, of not less than ten
16 business days, to seek legal advice relating to the terms of the
17 agreement or covenant.

18 (c) Any person who is aggrieved by a violation of this section may
19 bring a civil action in the Superior Court to recover damages, together
20 with court costs and reasonable attorney's fees. To the extent any such
21 agreement or covenant is found to be unreasonable in any respect, a
22 court may limit the agreement to render it reasonable in light of the
23 circumstances in which it was made and specifically enforce the
24 agreement as limited.

25 (d) The provisions of this section shall apply to agreements or
26 covenants entered into, renewed or extended on or after October 1,
27 2013.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	New section

Statement of Purpose:

To allow an employee who, as a condition of his or her employment, is required to execute a noncompete agreement or covenant a reasonable opportunity to seek legal advice prior to entering into such agreement or covenant.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]